

# RETIREE Report

A Semi-Annual Publication from the  
Fairfax County Retirement Administration Agency  
Designed for County Government & Schools Retirees

[www.fairfaxcounty.gov/retirement/](http://www.fairfaxcounty.gov/retirement/)

## COLAs

*Effective July 1, 2010*

Cost of Living Adjustments (COLAs) for retirees and DROP participants in the Employees', Police Officers and Uniformed Retirement Systems are effective July 1st of each year.

Fairfax County Code for the Employees', Police Officers and Uniformed Retirement Systems include a provision for a standard annual COLA that is equal to the lesser of 4.0% and the increase in the Consumer Price Index (CPI-U) for the period ending in March of each year. This year, the increase in the CPI-U was 2.3%. Therefore, this year's standard COLA for Fairfax County members is 2.3%.

A COLA percent is determined, and then applied to the basic benefit plus previous COLAs, plus other adjustments that are COLA-eligible as of June 30. COLAs are not applied to all adjustments to your benefit: for example, a COLA is not applied to the Pre-Social Security Benefit that is payable for normal retirement, nor is it applied to health subsidies or Uniformed Pre-62 supplements.

For service-connected disability retirees, COLAs apply to the net amount of the benefit after all offsets for Social Security and Workers Compensation are applied.

*continued on page 4*

## OPEN ENROLLMENT

### Coming Soon

Open Enrollment for General County retirees is scheduled to start a little later this year, running from November 1 - 30. If you have health or dental insurance through Fairfax County, watch for your Open Enrollment Information packet towards the end of October.

Open Enrollment for Fairfax County Schools Retirees is scheduled for September 29 through October 29, 2010. ★

## Deferred Compensation Plan

### CONTRACT UPDATE

As Americans continue to navigate the recent economic downturn and stock market volatility, there has been increased focus on the importance of deferred compensation programs as a vital tool for retirement security. In order to improve services and provide high quality, cost-efficient investment vehicles to county employees and retirees, Fairfax County has released a Request for Proposal (RFP) seeking to consolidate from a four vendor platform to a single vendor offering superior investment options, tools and services.

### What has changed to make vendor consolidation desirable from a participant's point of view?

The vendor marketplace has changed significantly in terms of technological advances and service offerings. Perhaps the most important change has been the advent of "open architecture" platforms. With this capability, many of the top retirement vendors can now offer best in class funds at the lowest cost possible from almost any publicly available fund source, as opposed to only the vendor's proprietary funds or those other fund families with whom it has negotiated alliances.

## What's Inside?

Thunderstorms & Lightning Preparedness .....	2
Retirement Associations.....	3
Trustee Elections .....	3
Thunderstorm Safety Tips .....	3
Medication Safety Tip .....	4

# Deferred Compensation Consolidation

continued from page 1

This means that FCG can contract with one provider and offer investment options from a variety of fund companies. This will allow us to choose the “best of the best” in terms of both administration and investments without having to sacrifice one for the other. Because the plan assets exceed \$500 million, FCG will also be able to negotiate additional plan services and educational programs for plan participants.

## Will the County retain any of the investment options available under our current vendors?

While the four deferred compensation providers currently offer 78 funds, 80% of plan assets are held in 20 funds. Among those 20 funds, there is duplication in terms of asset classes and investment philosophy. The new open architecture platform will allow us to retain investment funds that are heavily used in our programs today, as well as add funds in categories that might be lacking in our current portfolio.

## If my vendor is not the one selected, how will my assets be transferred?

Funds from the current provider will be “mapped” to the new portfolio. This means that every fund offered by our four current vendors will be transferred to either the same fund offered under the new portfolio or another fund with similar characteristics. The goal of fund mapping for a Plan Sponsor is to ensure that the investments into which former accounts are being mapped are high quality investments with similar asset class and composition characteristics and of similar or better quality. Plans for fund mapping are announced to participants well in advance of asset transfer.

Participants will have the option to reallocate their portfolios with the former recordkeeper to achieve the desired opening account distribution with the new recordkeeper. Once the transition is complete, participants can also redistribute assets among the new investment options. Mapping means that plan assets will not be “out of the market” during time the selected vendor is waiting for final records from our current vendors.

## I elected to receive a monthly installment payment from my current provider. Will I need to do anything for the new provider to send me my monthly distributions?

No, you will not need to do anything. The new provider will send the scheduled installment payment to you.

## When will there be a vendor decision?

The Selection Advisory Committee, which includes both technical retirement plan specialists and employee and retiree representatives, is busily reviewing the many strong proposals received through the solicitation. An award is targeted for August 2010, with a transfer of assets to the selected vendor in December 2010 or January 2011. Additional communications will be sent to all participants once the award is final, and throughout the transition process.

## When will I receive additional information?

Additional information will be provided to plan participants in August/September after the selection process has been completed. ★

# RE-ELECTED RETIREMENT TRUSTEES

Effective July 1, 2010

**Jim Dooley** has been re-elected by the retired members of the Police Officers Retirement System to fill the retiree position on the Police Officers Board of Trustees. This will be Mr. Dooley's third term as the retiree-elected representative on the Police Board.

**Rich Merrell** has been re-elected by active Uniformed employees to fill one of two active employee positions on the Uniformed Retirement System Board. This will be Mr. Merrell's second term as the employee-elected representative on the Uniformed Board.

Two more elections are coming up before the end of the year. There will be an election in the Employees' Retirement System for the retiree-elected trustee position. Nomination Forms will be mailed in early September.

In the Police Officers System there will be an election among the active members of the system scheduled to take place in November and December of this year. ★

# RETIREMENT ASSOCIATIONS

## Please keep your Retirement Association informed of address and phone number changes!

The Retirement Associations frequently request updated contact information for Fairfax County retirees. Due to privacy considerations, we are unable to provide them with retiree information for their mailings. If you are already a member, or interested in becoming a member, please keep your individual association advised of address and phone number updates. For information on membership, or to change your address, contact:

### Fairfax County Retired Employees Association

Marge Quick, 703-368-2998  
Annual Dues is \$5.00  
Lifetime Membership is \$50.00

### Fairfax County Retired Police Association

Jim Dooley, 703-323-8108  
JRDoo49@gmail.com  
Annual Dues: \$15.00



### Fairfax County Fire & Rescue Retirement Association

Louis Berkeszi: 703-922-7311  
louis@englesidecarcare.com  
Annual Dues is \$24.00



# THUNDERSTORMS



# and Lightning Preparedness

In the United States, lightning kills an average of 62 people each year. All thunderstorms produce lightning, and all have the potential for danger. Those dangers can include tornadoes, strong winds, hail, wildfires and flash flooding, which is responsible for more fatalities than any other thunderstorm-related hazard.

Lightning's risk to individuals and property is increased because of its unpredictability. Lightning often strikes outside of heavy rain and may occur as far as 10 miles away from any rainfall. Most lightning deaths and injuries occur when people are caught outdoors in the summer months, during the afternoon and evening. ★

For more information, please visit <http://www.fairfaxcounty.gov/oem/prepare/thunderstorms.htm>

# THUNDERSTORM SAFETY

Familiarize yourself with the terms that are used to identify a thunderstorm hazard, including understanding the difference between a severe thunderstorm **watch** and a **warning**.

- A thunderstorm watch means there is a possibility of a thunderstorm in your area.
- A thunderstorm warning means a thunderstorm is occurring or will likely occur soon. If you are advised to take shelter, do so immediately.
- Remove dead or rotting trees and branches that could fall and cause injury or damage during a severe thunderstorm.
- Use the 30/30 lightning safety rule. If you see lightning and you cannot count to 30 before hearing thunder, go indoors. Then stay indoors for 30 minutes after hearing the last clap of thunder.
- Visit [www.noaawatch.gov](http://www.noaawatch.gov) for more weather-related information.
- Secure outdoor objects that could blow away or cause damage.
- Shutter windows and secure outside doors. If shutters are not available, close window blinds, shades, or curtains.
- Avoid showering or bathing during a thunderstorm. Plumbing and bathroom fixtures can conduct electricity.
- Watch for darkening skies, lightning, and increasing winds.
- Listen to NOAA Weather Radio for information.
- If shelter isn't available, go to the lowest area nearby and make yourself the smallest target possible, but don't lie flat on the ground.
- If on open water, get to land and shelter immediately.

## Things to avoid include:

- Tall, isolated trees in open areas.
- Hilltops, open fields, the beach, a boat on the water, isolated sheds or other small structures in open areas.
- Anything metal—tractors, farm equipment, motorcycles, golf carts, golf clubs, and bicycles. ★

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S U M M E R 2 0 1 0

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Retirement Administration Agency  
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## DO YOU KNOW ? ? ?

Individuals with certain medical conditions, and of a certain age, may not be able to distinguish between certain colors?

Diabetic patients undergoing laser treatment for retinopathy may not be able to tell the difference between blue and green.

Elderly patients may not be able to tell the difference between white and yellow. As a person gets older, the lens of the eye tends to yellow. This makes it more difficult to distinguish between white and yellow medications and there is a chance that patients will get their medicines mixed up and not take them correctly. This is a major problem confronting the aging population since so many of their medications are either white or yellow.

For your safety, make sure to ask a family member or your pharmacist what color your medication is, if there is not a description on the label. ★



## COLAs

*continued from page 1*

Cost of living increases will be reflected in retiree payments on July 31, 2010. As a reminder, COLAs apply only to base benefits and not any pre-social security benefits.

### Please Note:

For members who have retired or entered DROP during the current fiscal year, COLAs are prorated as shown below according to the effective dates of retirement or DROP entry:

July 2 to October 1.....	75% of the COLA
October 2 to January 1.....	50% of the COLA
January 2 to April 1.....	25% of the COLA
After April 1 .....	0% of the COLA

# Rx SAFETY